



DOUGLAS A. DUCEY
GOVERNOR

STATE OF ARIZONA
OFFICE OF THE GOVERNOR

EXECUTIVE OFFICE

April 17, 2018

The Honorable Michele Reagan
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

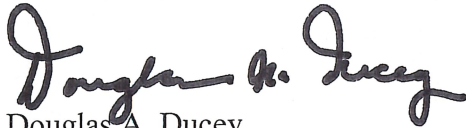
Dear Secretary Reagan:

I am transmitting to you the following bills from the Fifty-third Legislature, 2nd Regular Session, which I signed on April 17, 2018:

HB 2040 pharmacy board; definitions; reporting (Carter)
HB 2041 pharmacy board; licenses; permits (Carter)
HB 2065 public meetings; definition; penalties (Leach)
HB 2125 task force; towing safety (Shope)
HB 2126 government property; abatement; slum; blight (Leach)
HB 2249 protective orders; filing requirements (Farnsworth, E.)
HB 2250 physician assistants; prescribing authority; delegation (Carter)
HB 2257 radiation regulatory boards; repeal; DHS (Carter)
HB 2262 condominiums; termination; appraisals (Toma)
HB 2306 towing companies; insurance companies; owners (Campbell)
HB 2313 sentencing; monetary obligations; fine mitigation (Farnsworth, E.)
HB 2322 health insurers; provider credentialing (Carter)
HB 2327 federal officers; personal information; confidentiality (Farnsworth, E.)
HB 2334 liquor omnibus (Weninger)
HB 2411 health professionals; licensure; report (Mosley)
HB 2521 vehicle size, weight and load (John)
HB 2549 controlled substances; dosage limit (Carter)
HB 2550 contractor qualifications; work experience (Toma)
HB 2558 drug disposal; education (Cobb)
HB 2588 misrepresentation; service animals (Cook)

HB 2604 limited liability company act; revisions
SB 1065 commercial vehicles; ports of entry (Brophy McGee)
SB 1120 tax exemption; special events; nonprofits (Kavanagh)
SB 1152 education; appropriation; noncustodial federal monies (Allen, S.)
SB 1218 developmental homes; licensure; investigations (Brophy McGee)
SB 1264 gift cards; dormancy fee; prohibition (Yarbrough)
SB 1274 public monies; recovery; illegal payments (Petersen)
SB 1291 schools; pupil assessment data (Brophy McGee)
SB 1295 producer fees; insurance (Kavanagh)
SB 1400 aggravated DUI; sentence; county jail (Smith)
SB 1450 independent oversight committees; appointment; duties (Barto)

Sincerely,

A handwritten signature in black ink, reading "Douglas A. Ducey". The signature is fluid and cursive, with the first name "Douglas" being the most prominent.

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

House Engrossed Senate Bill

FILED

MICHELE REAGAN

SECRETARY OF STATE

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 253
SENATE BILL 1274

AN ACT

AMENDING SECTIONS 11-641, 11-642, 35-212 AND 35-213, ARIZONA REVISED
STATUTES; RELATING TO PUBLIC MONIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 11-641, Arizona Revised Statutes, is amended to read:

11-641. Monies illegally paid; liability; recovery

A. ~~When~~ IF a board of supervisors OR A COUNTY OR SCHOOL DISTRICT OFFICER, EMPLOYEE OR AGENT, without authority of law, orders OR CAUSES any ~~money~~ PUBLIC MONIES TO BE paid ~~from the county treasury~~, the board OR COUNTY OR SCHOOL DISTRICT OFFICER, EMPLOYEE OR AGENT and the party in whose favor the order is made ~~shall be~~ ARE jointly and severally liable for the ~~money~~ MONIES with interest at the legal rate, and twenty ~~per cent~~ PERCENT additional on the principal amount. If the ~~money is~~ MONIES ARE paid on a claim presented by a member of the board, the supervisor presenting the claim and the board ~~shall be~~ ARE jointly and severally liable for the ~~money~~ MONIES with interest at the legal rate, and twenty ~~per cent~~ PERCENT additional on the principal amount.

B. A COUNTY OR SCHOOL DISTRICT OFFICER, EMPLOYEE OR AGENT WHO IS RESPONSIBLE FOR DISBURSING PUBLIC MONIES PURSUANT TO A WARRANT OR OTHER FORM OF CLAIM THAT DOES NOT ORIGINATE FROM THE OFFICER, EMPLOYEE OR AGENT MAKING THE DISBURSAL MAY NOT BE HELD LIABLE UNDER SUBSECTION A OF THIS SECTION FOR AN ILLEGAL PAYMENT OF PUBLIC MONIES UNLESS THE COUNTY OR SCHOOL DISTRICT OFFICER, EMPLOYEE OR AGENT RESPONSIBLE FOR DISBURSING PUBLIC MONIES KNEW OR SHOULD HAVE KNOWN THAT A WARRANT OR OTHER CLAIM WOULD RESULT IN AN ILLEGAL PAYMENT.

~~B.~~ C. If an illegal payment of ~~money~~ MONIES is made as described in subsection A OF THIS SECTION, the county attorney ~~shall~~ MAY institute an action in the name of the county, against the board of supervisors ~~and others liable~~ OR COUNTY OR SCHOOL DISTRICT OFFICER, EMPLOYEE OR AGENT, to enjoin the payment of the ~~money~~ MONIES, or if ~~it has been~~ paid, to recover ~~it~~ THE MONIES with interest at the legal rate, and twenty ~~per cent~~ PERCENT additional on the principal amount, to be paid into the county treasury to the credit of the fund from which the allowance was made.

~~C.~~ D. The board of supervisors may not dismiss, compromise or in any way control such AN action. ~~No~~ A bond ~~shall be~~ IS NOT required of a county in the action, on an injunction, or on an appeal.

Sec. 2. Section 11-642, Arizona Revised Statutes, is amended to read:

11-642. Action by taxpayer; recovery of monies illegally paid

A TAXPAYER OF THE COUNTY MAY REQUEST, IN WRITING, THE COUNTY ATTORNEY TO INSTITUTE AN ACTION PURSUANT TO SECTION 11-641. If ~~a~~ THE county attorney fails for twenty days after THE written request ~~made by a taxpayer of the county~~ to institute an action, ~~as provided in section 11-641, then~~ any taxpayer of the county may bring the action in ~~his~~ THE TAXPAYER'S own name and at ~~his~~ THE TAXPAYER'S own cost, with the same effect as if brought by the county attorney, TO RECOVER PUBLIC MONIES FROM THE PUBLIC BODY OF THE COUNTY THAT ORDERED OR CAUSED THE ILLEGAL PAYMENT. The person instituting the action shall execute a bond with two or more

1 sureties, made payable to the defendant AND conditioned that if the
2 plaintiff fails to prosecute the action with diligence and to effect, ~~that~~
3 the plaintiff will pay all damages sustained by the defendant by reason of
4 the action and all costs incurred ~~therein~~ IN THE ACTION. If the taxpayer
5 prevails in the action, the court shall allow the taxpayer costs and a
6 reasonable attorney fee not to exceed forty ~~per cent~~ PERCENT of the amount
7 recovered or saved to the county.

8 Sec. 3. Section 35-212, Arizona Revised Statutes, is amended to
9 read:

10 35-212. Injunctive and civil remedies; definition

11 A. The attorney general in ~~his~~ THE ATTORNEY GENERAL'S discretion
12 may bring an action in the name of the state to:

13 1. Enjoin the illegal payment of public monies, including
14 violations of section 11-952 and title 41, chapter 23. ~~; or if the monies~~
15 ~~have been paid, to~~

16 2. Recover ~~such~~ ILLEGALLY PAID PUBLIC monies plus twenty ~~per cent~~
17 PERCENT of ~~such~~ THAT amount together with interest and costs, including
18 reasonable attorney fees, to be paid to the state treasurer or other
19 appropriate official, OR, IN THE CASE OF PUBLIC MONIES OF A POLITICAL
20 SUBDIVISION THAT DID NOT ORIGINATE OR WERE NOT RECEIVED FROM THIS STATE,
21 TO THE POLITICAL SUBDIVISION, to the credit of the fund from which the
22 payment was made.

23 B. THE ATTORNEY GENERAL MAY BRING AN ACTION TO RECOVER ILLEGALLY
24 PAID PUBLIC MONIES AGAINST:

25 1. ANY PERSON WHO RECEIVED THE ILLEGAL PAYMENT.

26 2. THE PUBLIC BODY OR THE PUBLIC OFFICER ACTING IN THE OFFICER'S
27 OFFICIAL CAPACITY WHO ORDERED OR CAUSED THE ILLEGAL PAYMENT OR HAS
28 SUPERVISORY AUTHORITY OVER THE PERSON THAT ORDERED OR CAUSED THE ILLEGAL
29 PAYMENT.

30 3. THE PUBLIC OFFICIAL, EMPLOYEE OR AGENT WHO ORDERED OR CAUSED THE
31 ILLEGAL PAYMENT, INCLUDING A PAYMENT ORDERED OR CAUSED TO BE MADE WITHOUT
32 AUTHORIZATION OF LAW.

33 C. A PUBLIC OFFICIAL, EMPLOYEE OR AGENT OF THIS STATE, A POLITICAL
34 SUBDIVISION OF THIS STATE OR A BUDGET UNIT WHO IS CHARGED WITH COLLECTING,
35 RECEIVING, SAFEKEEPING, TRANSFERRING OR DISBURSING PUBLIC MONIES MAY BE
36 HELD PERSONALLY LIABLE FOR AN ILLEGAL PAYMENT OF PUBLIC MONIES, INCLUDING
37 PAYMENT MADE WITHOUT AUTHORIZATION OF LAW.

38 D. A PUBLIC OFFICIAL, EMPLOYEE OR AGENT OF THIS STATE, A POLITICAL
39 SUBDIVISION OF THIS STATE OR A BUDGET UNIT WHO IS RESPONSIBLE FOR
40 DISBURSING, COLLECTING, RECEIVING, SAFEKEEPING OR TRANSFERRING PUBLIC
41 MONIES PURSUANT TO A WARRANT OR OTHER FORM OF CLAIM THAT DOES NOT
42 ORIGINATE FROM THE PUBLIC OFFICIAL, EMPLOYEE OR AGENT MAKING THE DISBURSAL
43 MAY NOT BE HELD PERSONALLY LIABLE FOR ILLEGAL PAYMENTS MADE PURSUANT TO
44 SUCH WARRANTS OR OTHER CLAIMS UNLESS THE PUBLIC OFFICIAL, EMPLOYEE OR
45 AGENT KNEW OR SHOULD HAVE KNOWN THAT A WARRANT OR OTHER CLAIM WOULD RESULT
46 IN AN ILLEGAL PAYMENT OF PUBLIC MONIES.

1 E. AN ACTION BROUGHT PURSUANT TO THIS ARTICLE IS SUBJECT TO TITLE
2 12, CHAPTER 7, ARTICLE 2. IF THE ACTION IS BROUGHT BY THE ATTORNEY
3 GENERAL, THE ACTION MUST BE BROUGHT WITHIN FIVE YEARS AFTER THE DATE AN
4 ILLEGAL PAYMENT WAS ORDERED AND SECTION 12-821.01 DOES NOT APPLY TO THE
5 ACTION.

6 ~~B.~~ F. ~~As used in~~ FOR THE PURPOSES OF this section, "public monies"
7 includes all monies coming into the lawful possession, custody or control
8 of BUDGET UNITS, state agencies, boards, commissions or departments or a
9 state officer, employee or agent in ~~his~~ AN official capacity, AND ALL
10 MONIES COMING INTO THE LAWFUL POSSESSION, CUSTODY OR CONTROL OF A
11 TAX-SUPPORTED POLITICAL SUBDIVISION OR AN OFFICER, EMPLOYEE OR AGENT OF A
12 TAX-SUPPORTED POLITICAL SUBDIVISION IN AN OFFICIAL CAPACITY irrespective
13 of the source from which, or the manner in which, the monies are received.

14 Sec. 4. Section 35-213, Arizona Revised Statutes, is amended to
15 read:

16 35-213. Failure of attorney general to bring action; action
17 by taxpayer; bond; amount of recovery and attorney
18 fees

19 A. AN ACTION TO RECOVER ILLEGALLY PAID PUBLIC MONIES PURSUANT TO
20 SECTION 35-212, SUBSECTION B, PARAGRAPH 1 OR 3 MAY BE BROUGHT ONLY BY THE
21 ATTORNEY GENERAL.

22 ~~A.~~ B. A TAXPAYER OF THIS STATE MAY REQUEST, IN WRITING, THE
23 ATTORNEY GENERAL TO INSTITUTE AN ACTION PURSUANT TO SECTION 35-212. A
24 REQUEST MADE REGARDING A POLITICAL SUBDIVISION MAY BE MADE ONLY BY A
25 TAXPAYER OF THE POLITICAL SUBDIVISION THAT IS THE SUBJECT OF THE REQUEST.
26 A REQUEST MADE REGARDING A COUNTY MAY ONLY BE SUBMITTED TWENTY-ONE DAYS
27 AFTER A REQUEST IS MADE TO THE COUNTY ATTORNEY PURSUANT TO SECTION 11-642.
28 If, for sixty days after THE request made by ~~a~~ THE taxpayer of the state
29 in writing, the attorney general fails to institute an action as provided
30 in section 35-212, ~~any~~ THE taxpayer of the state WHO MADE THE REQUEST may
31 institute the action PURSUANT TO SECTION 35-212, SUBSECTION A OR
32 SUBSECTION B, PARAGRAPH 2 in ~~his~~ THE TAXPAYER'S own name and at ~~his~~ THE
33 TAXPAYER'S own cost with the same effect as if brought by the attorney
34 general.

35 ~~B.~~ C. The person instituting the action shall execute a bond
36 payable to the defendant in the action, conditioned that the plaintiff
37 will prosecute the action with diligence and finality ~~or~~ AND will pay all
38 damages sustained by the defendant by reason of the action and all costs
39 incurred ~~therein~~ IN THE ACTION, INCLUDING ATTORNEY FEES AWARDED TO THE
40 DEFENDANT.

41 ~~C.~~ D. ~~If the taxpayer prevails in the action, The court shall~~
42 ~~allow him~~ MAY AWARD THE PREVAILING PARTY costs and reasonable ~~attorney's~~
43 ATTORNEY fees, not to exceed forty ~~per cent~~ PERCENT of the amount SOUGHT
44 TO BE recovered or saved to the state, ~~as the case may be~~ OR POLITICAL
45 SUBDIVISION.

APPROVED BY THE GOVERNOR APRIL 17, 2018

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 17, 2018

Passed the House April 9, 2018,

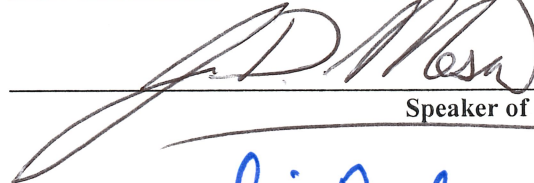
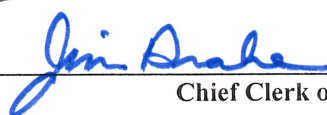
Passed the Senate February 21, 2018,

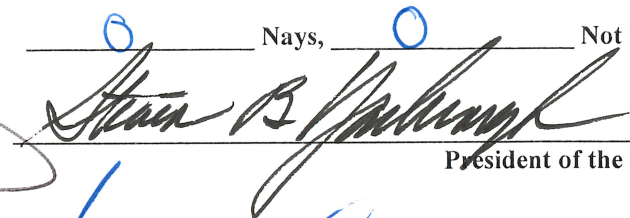
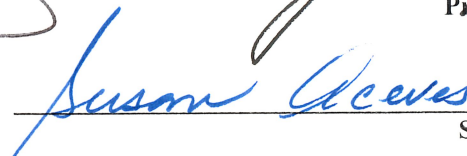
by the following vote: 55 Ayes,

by the following vote: 30 Ayes,

1 Nays, 4 Not Voting

0 Nays, 0 Not Voting


Speaker of the House

Chief Clerk of the House


President of the Senate

Secretary of the Senate

~~EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR~~

~~This Bill was received by the Governor this~~

~~_____ day of _____, 20____,~~

~~at _____ o'clock _____ M.~~

~~_____
Secretary to the Governor~~

~~Approved this _____ day of~~

~~_____, 20____,~~

~~at _____ o'clock _____ M.~~

~~_____
Governor of Arizona~~

S.B. 1274

~~EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE~~

~~This Bill was received by the Secretary of State~~

~~this _____ day of _____, 20____,~~

~~at _____ o'clock _____ M.~~

~~_____
Secretary of State~~

SENATE CONCURS IN HOUSE
AMENDMENTS AND FINAL PASSAGE

Passed the Senate April 11, 20 18

by the following vote: 30 Ayes,

0 Nays, 0 Not Voting

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

11th day of April, 20 18

at 11:23 o'clock A. M.

[Signature]
Secretary to the Governor

Approved this 17th day of

April 2018

at 10:39 o'clock A. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 17 day of April, 20 18

at 5:21 o'clock P. M.

[Signature]
Secretary of State